

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
SOUTHERN DIVISION

GREAT AMERICAN INSURANCE)
COMPANY,)

Plaintiff,)

v.)

TOWN OF COTTONWOOD,)

Defendant.)

CIVIL ACTION NO. 1:05cv1213-CSC

RESPONSE TO ORDER TO SHOW CAUSE

GREAT AMERICAN INSURANCE COMPANY (GAIC) hereby responds to this Court's Order of April 21, 2006 directing it to show cause why the case should not be dismissed for lack of prosecution. GAIC requests and moves the Court to allow it to proceed in this action on the following grounds:

1. Prior to the commencement of this action, Great American and legal counsel representing the Town of Cottonwood engaged in extensive communication concerning settlement prospects.

2. After the filing and service of the Complaint, undersigned counsel for GAIC proposed a settlement conference with the Town of Cottonwood representatives and proposed to extend the Town's deadline for submission of a responsive pleading pending such discussions.

3. Undersigned counsel has communicated with counsel for Town of Cottonwood and have exchanged information concerning the claim but no settlement conference has been convened.

4. Upon receipt of this Court's Order of April 21, Great American has advised the Town of Cottonwood to proceed with the filing of a responsive pleading.

5. Absent receipt of a responsive pleading in accordance with Great American's request (see Exhibit "A"), Great American intends to seek judgment by default.

6. Great American intends to vigorously pursue document discovery and otherwise prepare this case for trial, and respectfully request the Court to allow it to proceed light of the facts and circumstances as set forth herein.

s/L.Graves Stiff, III
L. Graves Stiff, III
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CERTIFICATE OF SERVICE

I hereby certify that on April 24, 2006, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

Via U. S. Mail

Mr. Gary Sherrer
SHERRER, JONES & TERRY, P.C.
Post Office Box 805
Dothan, AL 36302

Mayor Lomax Smith
1414 Metcalf Street
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